Special Audit by SEBI on Plantation Companies

1766. SHRI SATISH CHANDRA SITARAM PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether theSecurities and Exchange Board India (SEBI) conducted a specialaudit on 22 Plantation Companies;

(b) if so, the details of gross irregularities committed in fund mobilisation and deployment, nature and extent of financial frauds committed, company-wise;

(c) the details of action taken/ proposed to be taken against defaulting companies to protect the interests of investors; and

(d) what is the present status' of action taken against plantation firms, firm-wise, alongwith the steps proposed to be introduced and the mechanism proposed to check and monitor fraudulent dealings of Plantation Companies?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) to (c) As per information furnished by SEBI a sample of 52 firms operating Collective Investment Schemes has been chosen for special audit by RBI empanelled Chartered Accountants. Till now 34 audit reports have been received by SEBI which show possibilities of misappropriation/misutilisation of funds by these companies. The reports in respect of these 34 companies have been forwarded by SEBI to the Department of Company Affairs for taking action.

(d) SEBI has initiated court proceedings against five companies on the basis of investor complaints. The cases are subjudice. SEBI has appointed a Committee of experts under the Chairmanship of Dr. S.A. Dave to frame regulations for Collective Investment Schemes.

Increase in Foreign visits by Ministers/ Government Functionaries

1767. MISS MABEL REBELLO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Prime Minister has issued instructions to the entire Council of Ministers at the Unwarranted increase in foreign travel in the recent months by Union Ministers, other senior functionaries of the Central Government as well as of the State Governments;

(b) if so, the details thereof;

(c) the number and names of Union Ministers who visited foreign countries during the last six months; and

(d) the total expenditure spent by each Union Minister on foreign visits?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) The need for various Government functionaries exercising restraint in undertaking foreign travel has been emphasised by the Prime Minister.

(c) and (d) The information is not readily available and will have to be collected from all the Ministries/Departments. This will, therefore, be laid on the table of the House as soon as possible.

Substitution of Subsidy by Productivity Linked Incentives

1768. DR. .ARUN KUMAR SARMA: Will the Minister of FINANCE be pleased to state:

(a) the particulars of items on which subsidies are provided by Government alongwith year-wise financial involvement;

(b) whether any policy is being formulated to substitute subsidy by productivity linked incentives; and